ANNUAL C.A. MEETING

Annual Report 1943



Regina, Sask.

DIRECTORS REPORT

Oct. 31, 1943

To all Shareholders:

Four Board of Directors takes pleasure in presenting the Annual Report of our Fifth consecutive year of operation, ending October 31. 1913.

Your Association has had another successful year and the following is a summary of the various activities.

TRANSPORTATION

The bus has continued to provide very dependable service to the Association, regardless of the fact that it has become necessary to make a double trip. Much of the success of the bus operation is due to our driver. H. Foster, who has rendered his services in the bestpossible manner.

At a general meeting in the Labor Temple on Sept.29, it was agreed that we purchase a new shift car, the cost not to exceed the sum of \$1,000 for this purpose. A 1936 Oldsmobile was procurred for \$725. The book value of the old car was set at \$297, while the resals value was \$380, realizing a saving of \$65 which is now in the surplus account. The directors recommended that the general meeting approve of the transfer of \$183 from surplus and apply this on the purchase of the new shift car which will bring the book value of the new car to \$542.00 The operation of the shift car is an essential service and has proven to be a satisfactory and profitable investment.

The net results of the operation of transportation facilities are as follows:

Rus Revenue \$ Shift-Car Revenue	2,439.35	3,258,70
Sus Expenses Shift-Car Expenses Nat Savings	1,696,96 584,30	
Net Savings from Resale of Car Total Savings		1,060.31

REFERESHMENTS:

The booth has continued to prove a very satisfactory and essential phase of our association. Our volume of business has increased immensely in the past year and with the added labor involved , has the difficulty in obtaining supplies, we feel much credit is due our attendant for the very capable and efficient service she has given. We are pleased to find, that although we are unable to pay any patronage dividends on refreshments, our years business has resulted in the booth paying its own way and not depending on other departments as in former years.

8/5/18

The net result in the operation of the booth is as follows:

Booth Ravanus Booth Expense 5,376.76 5,370.18

Net Saving

6.58

MERCHANDISE:

This department, too, is a very useful and profitable service to the members, but due to Wartime restrictions, our development has, as we all know, been greatly curtailed. The transfer of this department was made from the shop to the Meterhouse, where it is in the capable hands of W. Elder.

This department has rendered good service under increased difficulties and the net results of the operations are as follows:

Merchandise Espense

\$ 2,101.99 1,837.11

Net Savings

264,88

PETROLEUM:

Due to the continuation of wartime restrictions very few of the Associations members have been using their own cars for transportation with the result that the Association's own transportation units have been by far the greatest users of the facilities of this department again this year. This department's sales were approximately \$300.00 less than last year with the result that the net savings were about \$46.00 less but the percentage of savings to sales showed an increase of 2.7% over last year.

INSURANCE:

The Directors pointed out in their 1942 report that the facilities of this department have been somewhat neglected. During the year 1943, the full use of this department has not been utilized and is still far behind what it should have been, as you can see by the following comparison:

1942 1943 Insurance Revenue - ^263.62 Insurance Revenue - \$359.32

Actual dollars and cents comparison show a substantial % increase but actually the facilities available are not used by the members to their best advantage.

Co-op Life Insurance can now be obtained through your own association. For particulars see R. Gardner or E. T. Mowbrey.

DIVIDENDS:

Your Board takes pleasure in declaring a dividend of 25% on sales, (with the exception of refreshments sales, which have just cleared expenses), for the year ending October 31, 1943.

- 7 as

A sum of \$60.00 has been transferred from surplus to increase the statutory Reserve to 30% of Paid Up Capital, which now stands at \$710.73. 2% (\$18.27) of met savings has also been transferred to Educational Reserve which now totals \$27.25.

CAPITAL:

The By-Laws of your association provide that all members must have a five dollar paid-up-share before receiving cash dividends. After payment of dividends for the last year, the association will have a paid up capital of approximately \$710.75. This year we end the third phase of our four-year Revolving Door Plan. At the last meeting of the Directors a motion was passed to the effect that 50% of the dividends remaining after paying up all unpaid share capital shall be retained in the Revolving Door Fund.

ORGANIZATION:

The Board consists of the following officers:

President H. L. Canfield (term expires Oct. 31, 1943) Vice-President D. C. NcNevan (term expires Oct. 31, 1944)

W. R. Gordon - term expires Oct.31, 1945
G. Hoy - term expires Oct.31, 1944
R. Cardner - term expires Oct.31, 1943
M. Wertzler - term expires Oct.31, 1943
Elected to fill in the balance of J. Sinclair's year.

With the resignation of Miss H. Buich, Miss J. Hebert

CONCLUSION:

Your Board of Directors wishes to express its appreciation for the support extended by all the members.

This report is respectfully submitted on behalf of the Board of Directors.

HLC: ET

Regina, Sask. November 26, 1943. H. L. Canfield

1, 19, 19,

and med artylevel and - To the l'embers, Consumers' Employees Co-op. Ass'n, Ltd., Regina, Saskatchewan.

Ladies and Gentlemen:

We have audited the books and records of the Consumers' Employees Co-operative Association Limited for the year ended October 31, 1943, and have prepared therefrom the following statements:

Exhibit A -- Balance Sheet as at October 31, 1943

Exhibit B -- Statement of Operations and Surplus for the year ended October 31, 1943

Schedule 1 -- Accounts Payable as at October 31, 1943

Schedula 2 -- Analysis and Allocation of Indirect Expenses

Schedule 3 -- Analysis of Operating Expenses

Schedule 4 -- Statement of Revenue and Expenditures - Transportation

Schedule 5 -- Statement of Revenue and Expenditures - Social Club

STATEMENT OF OPERATIONS

Your Association made a net saving of \$1,829.82 for the year ended October 31, 1943, as shown on Exhibit B. It is determined as follows and compared with 1942:

APLICE performancem	A.C.	1942		1943
Sales Daduct: Cost of goods sold Gross Margin	48.321.84 6.903.19 41,418.65	100.0% 82.9 17.1	\$8,679.97 6,833.97 1,846.00	100.0% 78.7 21.3
Deduct: Operating & Adminis- trative Expenses Operating Income Add: Other Income less Charge Not Income for year	1.133.84 5 284.81 767.08 41.051.89	13.6 3.5 9.2 12.7%	1.328.69 5 517.31 1.325.51 1.829.82	15.3 6.0 15.1 21.1%

A comparison of departmental operations is as follows:

RE	RCHANDISE			
Sales Deduct: Cost of goods sold Gross Margin	02,606.43 2,226.44 379.99	100.0% 85.4 14.6	32,101.99 1,748.80 5 353.19	100.0% 83.2 16.8
Deduct: Operating & Adminis- trative Expenses Not Income for year	58.04	2.2	88.31 264.88 personal transverse to	4.2 12.64 1
. R	EFFESHENT			
Sales Deducts Cost of goods sold	44,317.10	100.0%	4.154.54	100.0%

Deducts Cost of goods sold Gross Margin	3,605.33	83.5	4,154,54	77.3
Deduct: Operating & Adminis- trative Expenses Net Income for year	1.046.50	24.2	1.215.64 managaran	22.6

A comparison of departmental operations continued.

PETROLEUM

	19		196	13
Sales Deduct: Cost of goods sold Gross Hargin Deduct: Operating & Adminis- trative Expenses Net Income for year	\$1,134.69 871.63 \$ 263.06	200.0% 76.8 23.2	6 811.90 601.29 6 210.61	100.0% 74.1 25.9
	23279 239,27	2.1	16 73 193 4 188 193 1 193 1 193 188 800 10 10 10 10 10 10 10 10 10 10 10 10 1	2 a 3 4
	INSURANCE			
Sales Deduct: Cost of goods sold Gross Margin	\$ 263.62 199.79 \$ 63.83	100.0% 75.8 24.2	\$ 389.32 329.34 \$ 59.98	100.0% 84:6 15.4
Deduct: Operating & Adminis- trative Expenses Net Income for year	research configuration and 22 configuration and the second configuration a	2.1 22.1%	B 6 07	2.1
	BUS			
Revenue Deduct: Expenses Net Revenue	\$2,251.20 1,719.53 531.67	100.0%	\$2,439.35	100.0% 69.5 30.5% J
	SHIFT CAR			
Revenue Deduct: Expenses Net Revenue	\$ 767.80 949.38 \$-(181.58)	100.0% 123.6 -(23.6%)	819.35 501.43 317.92	100.0% 61.2 38.8%
	SOCIAL CLUB			
Revenue Deduct: Expenses Net Revenue	336.25 208.51 127.74	100.0%	\$ 429.25 271.36 \$ 157.89	100.0% 63.2 36.8%

Your merchandise sales of \$8,679.97 represents an increase of \$358.13 or 4.3 per cent over 1942 sales. While your operating and administrative expenses have increased 1.7 per cent, your gross margin has also shown an increase of 4.2 per cent. Other income less charges, which item includes your transportation earnings, has shown an increase of 5.9 per cent over the 1942 figure. This latter item has shown a definite improvement, due to a large extent, to a net earnings of shift car of \$317.92 as against a loss of \$181.58 in 1942. Your refreshment booth has shown a slight earning in 1943, as compared to a loss of \$334.73 in 1942.

BALANCE SHEET

We offer the following comments and explanations on items in the Balance Sheet:

Cash on hand \$30.80

We have a certificate signed by the president Mr. H. L. Canfield, that the

above assount was on hand as at October 32, 1943 and this is in agreement with your records.

Bank \$921.59

When outstanding chaques amounting to \$104.8 are added to the above, the total is in agreement with the bank cartificate.

Accounts receivable \$113.73

Your subsidiary lodger is in balance with your control. The above amount represents current amounts with a few exceptions. These exceptions represent small balances (errentleyees) and will be taken as a of them the 1943 local dividend is declared and distributed. We have not remifted individual account balances.

Inventories \$639:08

We have been furnished with inventory sheets of the marchandise department and refresheent booth eigned by your president, Nr. H. L. Canfield. Those sheets have been checked as to mathematical carract was.

Fixed Assets \$1,294,81

In accordance with a motion by your board, depreciation of \$100.00 untallowed on the bus. Another motion authorized the writing off of the bookh, leaving a capital asset of \$1.00. Depreciation of \$109.59 on bookh equipment has also been authorized in your sinutes. No depreciation has been allowed on the Oldamobile shift car, this equipment having been acquired the latter part of October.

Prepuid expenses \$37.91

The above emount represents unexpired insurance or bus and shift car \$22.25, unexpired bond premium 13.34 and unexpired licenses \$12.32.

Current liabilities \$528.89

A breakdown of this figure is shown on Exhibit A and Schedule 1. The tradaccounts payable are in agreement with creditors' statements with the exception of two small items.

Reserve and Surplus

We have placed an additional sixty dellars in your statutory reserve account which brings this account up to the required 30 per cent of paid up capital. We have also reserved 2 per cent of your set sarnings for educational purposes. Your board should confirm or alter the above reservations by resolution.

GENERAL DE VARKS

The ratio of current assets to current liabilities is 4.84 to 1 as compared to 2.3 to 1 in 1942. This increase in liquid or working capital places your association in a sound financial position.

with regard to handling cash which is taken in at the booth, there is no proper check on receipts. In our opinion, the association should install a cash register in the booth. As long as it is the policy not to pay patronage refunds on booth business, the machine employed can be relatively simple and inexpensive. The work of the booth attendant would be further simplified if the use of the purchase cards were discontinued.

There is considerable duplication in handling records of general merchandise sales. We feel that charge sales should be discentinued as soon as possible. However, if that is not practicable at the present time, we recommend the use of a "whiz" machine with triplicate invoices with one copy going to the customer at the time of purchase, one copy for patronage records, and the third copy for secounting records.

The banking and signing resolution in connection with your secretary-treasurer should be incorporated in your minutes.

In torms of the foregoing, we report that in our spinion, the attached Balance Sheet and Operating Statements are properly drawn up so as to exhibit a correct view of the financial condition of the association as at October 31, 1943, and of the results of operations for the year ending that date, according to the information and explanations received by us and as shown by the records of the association, which have been well and carefully kept.

Yours very truly, AUDIT DEPARTMENT,

CONSUMERS EMPLOYEES CO-OPERATIVE ASSOCIATION LIMITED

Department Manager

Gaorge Dolsen, B. Comm., F. X. Nerlinger, FXM: WS

CONSUMERS' EXPLOYMES CO-OPERATIVE ASSOCIATION LIMITED Regina, Saskatchewan

Exhibit A

BALANCE SHEET as at October 31, 1943

ASSETS

Current Assets Cash on hand Petty cash Cash in bank Accounts receivable			30.80 25.00	\$ 55.80 921.59
Customers Co-op. Refin J. E. Bisson, Craik (re Inventories			113.73 452.32 380.00	946.05
Merchandise Refreshment booth			515.75	639.08
	Total Current	Assets		\$2,562.52
Investments Consumers' Co-op. Refin Quota Revolving door fund Sask. Co-op. Gredit Soc Co-op. Guarantee & Fide Sask. Co-op. Wholesale Sherwood Co-op. Ass'n,	iety Ltd. lity Co. Ltd. Society Ltd.	\$208.16	\$384.09 20.00 10.00 7.91 2.23	424.23
Fixed Assets Bus Shift car Booth Booth equipment	5 500.00 725.00 187.57 657.90	Deprec'n Allow'ce 3300.00 186.57 289.09	Net Velue \$200.00 725.00 1.00 368.81	1,294.81
Prepaid Expanses Unexpired insurance Shift car Bus Unexpired bond premium Unexpired licenses Unemployment insurance	starps		\$ 19.80 2.45	22.25 3.34 12.32
	TOTAL ASS	SETS		\$4,319.55

CONSUMERS' EMPLOYEES CO-OPERATIVE ASSOCIATION LIMITED Regina, Sasketchevan

BALANCE SHRET

Washingto A

LIAB ILITES

Accounts payable Trade and general (Schedule 1) Education tax payable Income tax payable (booth employee) Prepaid purchase cards	\$ 462.94 32.66 4.45 23.84	å 503.89
Other - Deferred insurance License		25.00
Total Current Mahilitias		A 528.89

MEMBER EQUITIES
(which show the proportion of total assets owned by the membership)

Share capital: Authorized 5,000 sh Capital subscribed Less unpaid	ares at \$1.00 \$1,145.00 434.27	- 35,000.00
Capital paid up	to silve and till over the appeals	3. 710.73
Local deferred patronage refunds - 1940 - 1941	å 160.39 327.32	
- 1942	223 464 ***********************************	711.35
Investments reserved for memberos Co-op. Refinery shares - quota Co-op. Refirery - deferred	e 208.16	
patronage reserved	58,08	266.24
Statutory reserve Educational reserve Surplus		213.22 27.25 1,861.87

Total Member Equities

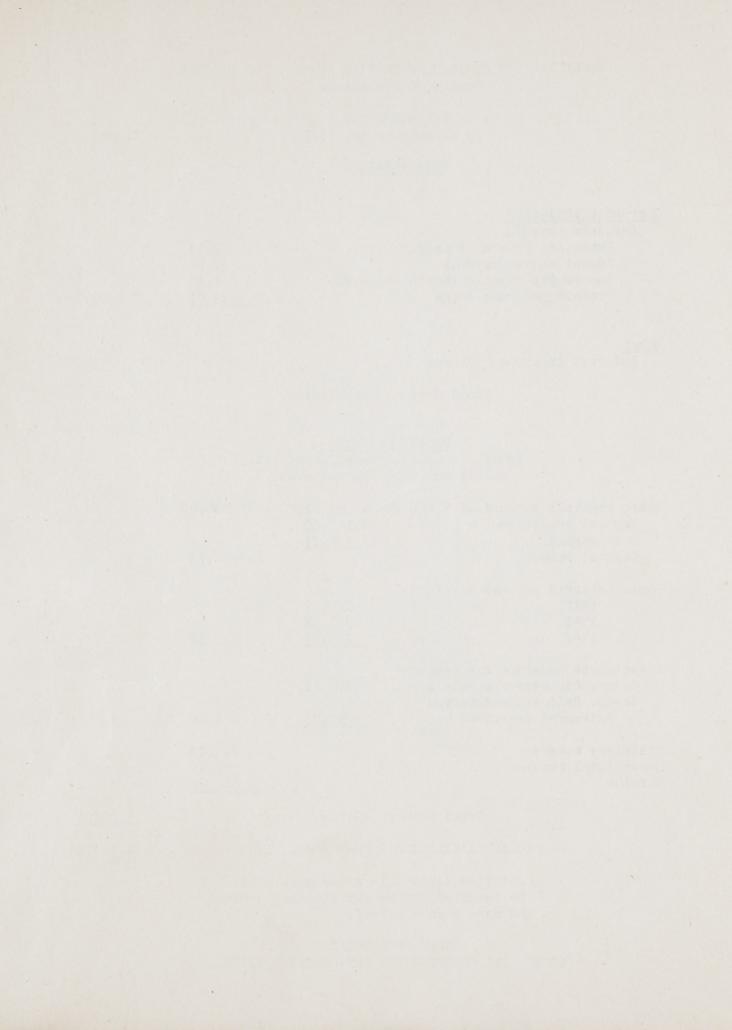
3 790 66

TOTAL LIABILITIES & MEMPER EQUITIES

84.319.55

Certified correct in accordance with the terms of our remort attached hereto and made a part hereof.

AUDIT PEPARTMENT
CONSULERS! CO-OPERATIVE FEFTNERIES LIMITED



perry	
fores	
DE.	ch.
	250
	penal
500	
9-00	
	-00
	93
	grad
	web.
	2x >
	10
	4.53
	100
	20
	pro
	4 90
LIO	
	4.75
200	
	50
2	
P.S	203
[2]	B
ERRE	
五田	
PE	
OPE	de
OPE	de
OPE	de
10	de
F OF	90
F OF	de
F OF	de
10	· ende
F OF	r ende
OF OF	ir ende
OF OF	ar ende
OF OF	ar ende
OF OF	ear ende
OF OF	ear ende
OF OF	ar ende
OF OF	ear ende
ENT OF OF	ear ende
ENT OF OF	year ende
MINT OF OF	year ende
MINT OF OF	e year ende
MINT OF OF	te year ende
MINT OF OF	e year ende
TELENT OF OF	te year ende
TENENT OF OF	te year ende
ATELIENT OF OF	te year ende
ATELIENT OF OF	te year ende
ATELIENT OF OF	the year ende
ATELIENT OF OF	. the year ende
ATELIENT OF OF	r the year ende
TATE WITH OF OF	r the year ende
ATELIENT OF OF	. the year ende
ATELIENT OF OF	or the year ende
ATELIENT OF OF	r the year ende
ATELIENT OF OF	or the year ende
ATELIENT OF OF	or the year ende
ATELIENT OF OF	or the year ende
ATELIENT OF OF	or the year ende

	Merchandise	the year ended Refreshment	October 31, 1943	Insurance	
20 e-1	£2,101,99	\$5,376,76	\$311.90	389.32	\$6,679.97
Cost of Sales Inventory, Mov. 1, 1942 Purchases Handling charges	2,094.24	4,105.14	4559.86	\$ 329.34	7,088.58
Less Inventory Oct. 31/43	52,264.55	123.33	8601,29		67,473.05
Cost of Sales	\$1,748.80	A4,154.54			
Gross Saving	353,19	1,222,22.	210,61	86"65	
Administrative & Operating Expenses (Schedule 3)	88,31	1,215,64	16.73	8.01	1,328.69
Net Operating Saving	264.88	6.58	A193.88		
Add: Other Income: Transportation revenue (Schedule 4) Earnings re sale of Ford shift car (Sc Net revenue from Social Glub (Schedule Consumers' Co-op. Refineries 1942 divi Discounts and commissions sarned Sherwood Co-op. Ass'n, Ltd., 1942 div	Tord shift car (Schedule is Club (Schedule 5) fineries 1942 dividend sions sarmed n. Ltd., 1942 dividend	id () md	82.87	\$1,060,31 757.89 70,83 18,09	

Net Saving Carried Forward to Surplus

urplus Account Net saving for period brought forward		1,829.82
Balance surplus October 31, 1942 Less 1942 local dividend distributed	6748.75	127.08
		*1,956.90
Add: Adjustment re accounts receivable from previous year	\$ 6.30	
Refinery unallocated dividend returned to surplus from reserved for member account Repayment of 1940 revolving door fund by	79.10	
Refinery Adjustment re cooler purchased in 1943 (ren	18.65 27.50	131.55
	.,	\$2,088.45
Less: Expense 1942 annual dance Bonus - Foster and Stoppler Prior period item (Refinery adjustment) Transfer of 1942 Refinery dividends to member reserves - R.D.F.	4 93.23 20.00 4.80	
Statutory reserve Educational reserve	18.47	226,58
Surplus as at October 3	3. 1943	A7 947 89 V

CONSUMERS' EMPLOYMES CO-OPERATIVE ASSOCIATION LIMITED Regina, Saskatchevan

	ACCOUNTS PAYABLE	
	as at October 31, 1943	Schedule 1
Sask. Co-op. Wholesal Les Holden Service St MacDonalds Consolidat Sherwood Service Cent Great West Saddlery C Flotcher's Bakery Fuhrman & Co. Purity Dairy Ltd. Cook's insurance	ation ed Ltd. re	14.21 18.24 137.62 1.54 143.52 29.51 21.83 75.47 21.00
		\$462 a 94- eautraline garringer equitable, description
	s and allocation of indirect as at October 31, 1943	EXPENSES Schedule 2
Indirect Expenses Secretary-Treesure Audit and account: Annual report Stationery and pr: Postage and excise Sundry expense Rent	ing (1942) Inting	\$120.00 60.00 8.71 20.96 12.84 12.03 11.00 threat magnetic trans
	ALLOCATION OF INDIRECT EXPENS on the basis of denartmental	
Merchandise Refreshments Petroleum Insurance Bus Shift car	sales	\$ 88.31 65.35 16.73 8.01 50.26 16.88 ***********************************

CONSUMERS' EMPLOYEDS CO-OPERATIVE ASSOCIATION LIMITED ROSING, Seskatchevan

AMALYSIS OF OFFRATING EXPENSES for the year ended October 31, 1943.

Schadule 3

Tetal	\$ 845.55	277,06	88.70	38,98	200 P	SECTION CONTRACTOR OF THE PROPERTY.	61,328.69 Editions
Insurance					60	Contractions	38.01
Petroloum					\$16.73	entities of the state of the st	816.73
Refreshment	Tr.	300	88.70	38.98	55,33		215, 66
Merchandse	Selety -	Depresiation	Maintenes	Materials	Indirect Expenses (Schedule 2) \$98.31	averadu. Armituse	\$98.31

CONSUMERS: EMPLOYEES CO-OPERATIVE ASSOCIATION LIMITED Regina, Saskatchewan

STATEMENT		REVENUE		EXPENDITURES -	TRANSPORTATION
	Cor	the year	· ende		1.943

Schedule 4

	Pus	Shift	
Revenue	\$2,439.35	\$819.35	*3,258.70
Expenses Fuel Repairs C.C.R. employees - time charged Bus driver's wages Storage Depreciation	\$ 532.56 472.09 272.05 120.00 150.00	\$321.65 205.77	\$ 854.21 677.86 272.05 120.00 190.00
Indirect expenses allocated (Schedule 2)	50.26	16.88	400 040 000 000
	\$1,696.96	\$584.30	\$2,281,26
Transportation revenue Plus earnings realized from sale of Ford shift car	\$ 742.39	\$235.05	\$ 977.44 82.87
Net Revenue	PA2.39	\$327.92	\$1,060.31
STATEMENT OF REVENUE AND I	expenditures - October 31, 194	SOCIAL CLUB	Schedule 5
Revenue Fees			\$ 429.25
Expenses Dances, etc. Gifts			168.51 102,85
			\$ 271.36
NET REVENUE			\$ 157.89

W